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Message:  Enclosed herewith: <ul style="list-style-type: none"><li>• Transmittal of Replacement Appeal Brief; and</li><li>• Replacement Appeal Brief.</li></ul>	
Re: Application No. 09/329,461 Attorney Docket No: AT9-99-085	
Date: Wednesday, April 12, 2006	
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## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: Rodriguez et al.

Serial No.: 09/329,461

Filed: June 10, 1999

For: Method and Apparatus for  
Encoding Transactions for Goods and  
Services Using an E-Receipt§  
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§  
§  
§

Group Art Unit: 3661


Examiner: Nguyen, Cuong H.

Attorney Docket No.: AT9-99-085

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By:

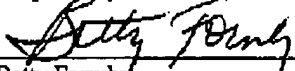
  
Stephanie FayTRANSMITTAL OF REPLACEMENT APPEAL BRIEFCommissioner for Patents  
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• Replacement Appeal Brief (37 C.F.R. 41.37)

No fee is believed due for filing this Replacement Appeal Brief. If, however, a fee is required, please charge this fee to IBM Corporation Deposit Account No. 09-0447. No additional fees are believed to be necessary. If, however, any additional fees are required, I authorize the Commissioner to charge these fees which may be required to IBM Corporation Deposit Account No. 09-0447. No extension of time is believed to be necessary. If, however, an extension of time is required, the extension is requested, and I authorize the Commissioner to charge any fees for this extension to IBM Corporation Deposit Account No. 09-0447.

Respectfully submitted



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Docket No. AT9-99-085

PATENT

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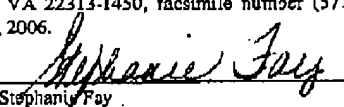
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Alexandria, VA 22313-1450, facsimile number (571) 273-8300  
on April 12, 2006.

By:

  
Stephanie FayREPLACEMENT APPEAL BRIEF (37 C.F.R. 41.37)

This brief is in furtherance of the Notice of Appeal, filed in this case on March 4, 2002. This brief is also in response to the final office action mailed March 7, 2006 and replaces all previously filed briefs.

No fee is believed due for the filing of this Replacement Appeal Brief. No additional fees are believed to be necessary. If, however, any additional fees are required, I authorize the Commissioner to charge these fees which may be required to IBM Corporation Deposit Account No. 09-0447. No extension of time is believed to be necessary. If, however, an extension of time is required, the extension is requested, and I authorize the Commissioner to charge any fees for this extension to IBM Corporation Deposit Account No. 09-0447.

(Replacement Appeal Brief Page 1 of 15)  
Rodriguez et al. - 09/329,461

**REAL PARTY IN INTEREST**

The real party in interest in this appeal is the following party: International Business Machines Corporation of Armonk, New York.

**RELATED APPEALS AND INTERFERENCES**

With respect to other appeals or interferences that will directly affect, or be directly affected by, or have a bearing on the Board's decision in the pending appeal, there are no such appeals or interferences.

**STATUS OF CLAIMS**

**A. TOTAL NUMBER OF CLAIMS IN APPLICATION**

Claims in the application are: 1-46

**B. STATUS OF ALL THE CLAIMS IN APPLICATION**

1. Claims canceled: 1-2, 5-26, 29-46
2. Claims withdrawn from consideration but not canceled: None
3. Claims pending: 3-4 and 27-28
4. Claims allowed: None
5. Claims rejected: 3-4 and 27-28
6. Claims objected to: None

**C. CLAIMS ON APPEAL**

The claims on appeal are: 3-4 and 27-28

**STATUS OF AMENDMENTS**

No amendments have been filed since the final office action was mailed on March 7, 2006.

### **SUMMARY OF CLAIMED SUBJECT MATTER**

#### **A. CLAIM 3 - INDEPENDENT**

The subject matter of claim 3 is directed to method for maintaining inventory records of products being sold. Figures 5A and 5B, discussed on page 19, line 9 through page 22, line 3, show a flowchart for the disclosed method, while Figure 6 and Figure 7A show specific embodiments of this method. The method includes the following computer-implemented steps:

- providing inventory records corresponding to a plurality of products for sale (not specifically shown, page 3, lines 5-14, page 22, lines 4-20, and page 24, lines 1-7);
- processing a purchase transaction for a first product of said plurality of products (step 502, page 19, lines 10-13);
- generating an electronic receipt comprising data concerning the purchase transaction (step 504, page 19, lines 13-16);
- using a first read/write device to write said electronic receipt to a removable storage medium (step 508, page 19, lines 16-26);
- using a second read/write device that is different from said first read/write device to read said electronic receipt from said removable storage medium (steps 510, 512, page 19, line 27 through page 21, line 2);
- validating said electronic receipt (step 516-518, page 21, lines 8-13); and
- in response to validating said electronic receipt, providing an indication to proceed with a delivery of said first product (step 518, page 21, lines 12-14) and updating an inventory record corresponding to said first product to reflect the delivery of said first product (step 528, page 21, lines 27-29).

#### **B. CLAIM 27 - INDEPENDENT**

The subject matter of claim 27 is directed generally to a computer program product in a computer-readable medium and corresponds to method claim 3.



**GROUND OF REJECTION TO BE REVIEWED ON APPEAL**

**A. GROUND OF REJECTION 1 (Claims 3-4 and 27-28)**

Claims 3-4 and 27-28 stand rejected under 35 U.S.C. § 103(a) as obvious over **Tognazzini** (5,739,512).

## ARGUMENT

### A. GROUND OF REJECTION 1 (Claims 3-4, 27-28)

Claim 3 is representative of this group of claims. In discussing this claim, the rejection states:

Tognazzini teaches a method for maintaining inventory records of products being sold (see Tognazzini, col.2, lines 62-65 wherein producing a report is producing an inventory record), comprising:

- providing inventory records corresponding to products for sale ("to produce a report" is similar to "produce an inventory record", see Tognazzini, col.2, lines 64-65);

... and in response to validating said electronic receipt: ... updating an inventory record corresponding to said first product to reflect the delivery of said first product (the claimed phrase "the delivery of said first product" is reasonably interpreted as "a transaction is executed", see Tognazzini col. 2, lines 62-65).

Tognazzini does not explicitly disclose "identically" arrange features as they are in the claims.

However, these claims use a term of "comprising ... steps of:" in their preambles to introduce what comprise in their bodies. The examiner respectfully submits these claims represent required steps as cited.

It would have been obvious for one of ordinary skill in the art at the time of invention to implement Tognazzini's idea to expressly disclose steps as required, for operating Tognazzini's system as shown in Figs. 1-2, verifying a receipt, and maintaining inventory records comprising instructions that perform steps of claims 3-4 because it is widely recognized the advantage of tracking receipts for easy in audit opportunities.

Office action mailed March 7, 2006, item 3, pages 3-4

In response to Appellant's earlier arguments, the Examiner added:

... the examiner's position is that ... [sales transactions] also means both "physical product" and transactions because they are delivered to the buyer's possession after all; saying "sale transactions" is similar to "sold product" because they are no longer being owned by the seller — the ownership of a product has been transferred. The applicants also argue that Tognazzini does not disclose updating the records when the product delivered; however, this claimed feature is inherently existed with the software that operating on the "cash-register" even Tognazzini does not disclose because when talking about "inventory records" one with ordinary skill in the art understands that means "currently available product".

Office action mailed March 7, 2006, item 2, page 2, emphasis in original

If the Patent Office does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of a patent. *In re Oetker*, 977 F.2d 1443, 1445, 24 U.S.P.Q.2d 1443, 1444 (Fed. Cir. 1992); *In re Grabiak*, 769 F.2d 729, 733, 226 U.S.P.Q. 870, 873 (Fed. Cir. 1985). The determination of "nonobviousness" is made after establishing the scope and content of prior art, the differences between the prior art and the claims at issue, and the level of ordinary skill in the pertinent art. *Graham v. John Deere*, 383 U.S. 1 (1966). In addition, all limitations of the claimed invention must be considered when determining patentability. *In re Lowry*, 32 F.3d 1579, 1582, 21 U.S.P.Q.2d 1031, 1034 (Fed Cir. 1994).

It is submitted that the rejection has failed to state a *prima facie* obviousness rejection because Tognazzini does not show or suggest the steps "*providing inventory records corresponding to a plurality of products for sale*" and "*in response to validating said electronic receipt, ... updating an inventory record corresponding to said first product to reflect the delivery of said first product*".

Regarding the first step, "*providing inventory records corresponding to a plurality of products for sale*", the rejection cites the following excerpt from Tognazzini:

The invention is also directed to apparatus for processing electronic copies of receipts including a reader for reading a storage medium containing the copies, and a computer configured to process information contained in the copies to produce a report summarizing at least some of the receipts.

**Tognazzini** column 2, lines 61-65, emphasis added

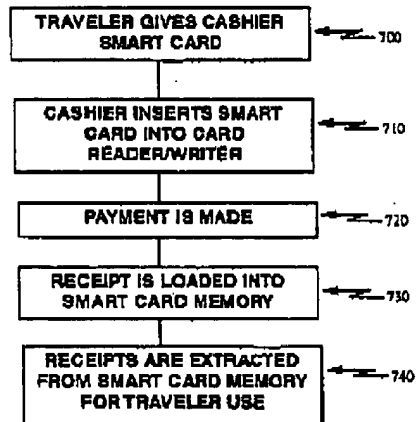
This excerpt is part of the Summary of the Invention in Tognazzini; within the Description of the Preferred Embodiment of this patent, the *report* is mentioned exactly once, in reference to Figure 7, which is reproduced on the following page:

FIG. 7 is a flow chart of a process for providing electronic receipts using a smart card. In the approach illustrated in FIG. 7, a customer (e.g. traveler) gives the cashier a smart card (700) upon which a receipt is to be recorded. The cashier inserts the smart card into the card reader/writer (710) and when payment is made (720), the receipt is written into smart card memory (730). The storing of a receipt on a smart card is applicable to all types of transactions, regardless of how payment is made.

At a convenient time, such as when the traveler returns home, receipts are extracted from smart card memory and utilized to formulate an expense report and to update accounting records. Since the data structure is formalized and

standardized, this can be done conveniently in an automated fashion.

**Tognazzini** column 6, lines 53-67, emphasis added



**Tognazzini**, Figure 7

As the discussion of Figure 7 demonstrates, the report produced in **Tognazzini** is produced for the benefit of the “traveler”, i.e., the user who has purchased the goods or services. The report is a report of the expenses of the user, to the extent that these expenses are reflected in receipts that were written to the smart card. If all of the transactions summarized in the cited report are for goods, one might argue that this report represents the inventory purchased by the user and this is apparently the reading that the Examiner has maintained.

Appellants assert that this reading ignores the fact that this step in claim 3 recites “*inventory records corresponding to a plurality of products for sale*”. Although Appellants acknowledge that the Patent Office should read the claims broadly, the claim should not be read so broadly that the words lose their meaning. **Tognazzini**’s traveler can produce a report of items purchased, but unless the Examiner can support the interpretation that the traveler’s items are still for sale, one of ordinary skill in the art would not view these records as “*inventory records corresponding to a plurality of products for sale*”. Thus, this feature is not met.

Regarding the step “*in response to validating said electronic receipt, ... updating an inventory record corresponding to said first product to reflect the delivery of said first product*”, the rejection states:

... in response to validating said electronic receipt ... updating an inventory record corresponding to said first product to reflect the delivery of said first product (the claimed phrase “the delivery of said first product” is reasonably interpreted as “a transaction is executed”, see **Tognazzini** col. 2, lines 62-65).

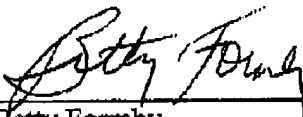
Office action mailed March 7, 2006, item 3, page 4

Here, the rejection is focused on “*the delivery of said first product*”, rather than on “*updating an inventory record*”. However, the inventory record that is updated in this step is one

of the inventory records recited in the providing step. If the *inventory records* are provided to the user, as the rejection appears to do in the providing step, where then is the updating of these inventory records shown? The electronic receipts that are now in the user's smart card are records of past actions (purchases) and would not be "updated". Additionally, one of ordinary skill in the art would not consider producing a report from the receipts to be the same as updating the receipts.

At another point, the rejection asserts that it would have been inherent "*in the software operating on the cash register of Tognazzini*" to update the inventory when the product is delivered, since this would reflect "*currently available product*" (see quote on the bottom of page 8 of this brief). This interpretation attributes the inventory records that are being updated to inventory records held by the seller. Thus, the rejection has assigned contradictory meanings to the claimed *inventory records* in the providing step and the updating step. When the claim recites providing inventory records, these records are asserted to be the receipts given to the user for the production of reports. However, when the claim recites updating inventory records, the records are asserted to be currently available product. Appellants assert that the contradictory meanings assigned to *inventory records* go beyond a broad reading of the claims. Instead, this appears to be a hindsight reconstruction of the recited invention, with Appellants claim as a template. The rejection should be overturned.

In view of the above, Appellants respectfully submit that claims 3-4 and 27-28 are allowable over **Tognazzini** and that the application is in condition for allowance. Accordingly, Appellants respectfully request the Board of Patent Appeals and Interferences to overturn the rejections set forth in the Final Office Action.

  
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**CLAIMS APPENDIX**

The text of the claims involved in the appeal are:

3. A method for maintaining inventory records of products being sold, the method comprising the computer-implemented steps of:
- providing inventory records corresponding to a plurality of products for sale;
  - processing a purchase transaction for a first product of said plurality of products;
  - generating an electronic receipt comprising data concerning the purchase transaction;
  - using a first read/write device to write said electronic receipt [[on]] to a removable storage medium;
  - using a second read/write device that is different from said first read/write device to read said electronic receipt from said removable storage medium;
  - validating said electronic receipt; and
  - in response to validating said electronic receipt,
    - providing an indication to proceed with a delivery of said first product and
    - updating an inventory record corresponding to said first product to reflect the delivery of said first product.
4. The method of claim 3 wherein said step of validating said electronic receipt further comprises inspecting a digital signature to verify the integrity of said electronic receipt.
27. A computer program product in a computer-readable medium for maintaining inventory records for a plurality of items for sale, the computer program product comprising:

first instructions for processing a purchase transaction;

second instructions for generating an electronic receipt comprising data concerning the purchase transaction;

third instructions for storing said electronic receipt on a removable storage medium;

fourth instructions for reading said electronic receipt on the removable storage medium;

fifth instructions for validating said electronic receipt; and

sixth instructions for providing an indication to proceed with a delivery of said first item in response to validating said electronic receipt,

seventh instructions for updating an inventory record corresponding to said first item in response to validating the electronic receipt.

28. The computer program product of claim 27 wherein said instructions for validating the electronic receipt further comprise instructions for inspecting a digital signature to verify the integrity of said electronic receipt.

**EVIDENCE APPENDIX**

There is no evidence to be presented.

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**RELATED PROCEEDINGS APPENDIX**

There are no related proceedings.

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